

**STATE OF CALIFORNIA**  
**BUSINESS, TRANSPORTATION AND HOUSING AGENCY**  
**DEPARTMENT OF CORPORATIONS**

TO: Jared Grochowski  
Reve Enterprises, LLC  
101 E. Redlands Blvd., Suite 215  
Redlands, CA 92373

**DESIST AND REFRAIN ORDER**

**(For violations of section 25110 and 25401 of the Corporations Code)**

The California Corporations Commissioner finds that:

1. At all times relevant hereto, Reve Enterprises, LLC (hereinafter, "Reve") was a Nevada limited liability company located at 101 E. Redlands Blvd., Suite 215, Redlands, CA 92373. Reve's limited liability status was revoked effective May 1, 2010.

2. At all times relevant hereto, Jared Grochowski ("Grochowski") was an individual whose last known business address is 101 E. Redlands Blvd., Suite 215, Redlands, CA 92373. Grochowski is the owner, president and a "control" person of Reve, as defined by California Corporations Code section 25403.

3. Reve and Grochowski ("Respondents") maintained websites at [www.freedomrealestateinvesting.com](http://www.freedomrealestateinvesting.com) and [www.lifewithoutapaddle.com](http://www.lifewithoutapaddle.com). On the web sites, Respondents boast that Grochowski "is an avid Real Estate Investor, Consultant and Mentor . . . By his 30<sup>th</sup> Birthday he was a self-made millionaire" with a focus on "raising private capital for Commercial Investment (permitted by his S.E.C. Registration)." In fact, however, Grochowski has never been registered as a broker-dealer with the S.E.C. or the Department of Corporations.

4. Beginning at least in or about September 2008, Respondents offered or sold securities in the State of California in the form of stock or "units" in Reve ("Reve Units"). These securities were offered through general solicitations, including through the web sites and through an offering circular.

5. The foregoing securities were offered and sold in this state in issuer transactions. The Department of Corporations has not issued a permit or other form of qualification authorizing any person or entity to offer and sell these securities in this state.

6. In 2008, Respondents offered securities in the form of Reve Units to a California resident ("Resident"). The Resident purchased \$45,000 in Reve Units.

7. In connection with the offer and sale, Respondents made the following misrepresentations and omissions of material fact:

- a. The Resident would receive monthly statements reflecting a return of 2-4% per month to be paid through dividends; in fact, Respondents never paid the Resident a single dividend or sent a single monthly statement.
- b. The Resident could obtain the return of his principal on request, and it would be returned in approximately three (3) weeks; in fact, the Resident made repeated written and oral demands for the return of his investment, and Respondents failed to return the money.
- c. There was security for the Resident's investment and it was "safe." In fact, there was no real security for the investment and the Resident lost his entire investment.
- d. Failed to disclose that they have no permit or other qualification to offer or sell securities, and no certificate to act as broker-dealers or investment advisers. Respondents' web sites falsely state that Grochowski has an "S.E.C. registration" when in fact, Grochowski has never been registered as a broker-dealer.
- e. Failed to disclose that investor money would be commingled with Grochowski's personal money, and transferred to the personal checking accounts of both he and his wife.
- f. Failed to disclose that Reve had only been in existence for a few months at the time the Resident invested.

Based on the foregoing findings, the Commissioner is of the opinion that Reve Enterprises, LLC and Jared Grochowski have engaged in the offer and sale of securities, including but not limited to stock or "units" in Reve. These securities have not been qualified under the Corporate Securities

1 Law of 1968, California Corporations Code section 25000 *et. seq.*, in violation of section 25110 of  
2 the Corporations Code. Pursuant to section 25532 of the Corporations Code, Reve Enterprises, LLC  
3 and Jared Grochowski are hereby ordered to desist and refrain from the further offer or sale in the  
4 State of California of securities, including but not limited to stock or “units” in Reve, unless and until  
5 qualification has been made under said law or unless exempt.

6 In addition, based on the foregoing findings, the Commissioner is of the opinion that Reve  
7 Enterprises, LLC and Jared Grochowski have offered and sold securities by means of written and oral  
8 communications including untrue statements of material fact and omissions of material fact necessary  
9 to make the statements, in light of the circumstances under which they were made, not misleading, in  
10 violation of section 25401 of the Corporations Code. Pursuant to section 25532 of the Corporations  
11 Code, Reve Enterprises, LLC and Jared Grochowski are hereby ordered to desist and refrain from  
12 offering or selling any security in the State of California by means of any written or oral  
13 communication which includes an untrue statement of a material fact, or omits to state a material fact  
14 necessary in order to make the statements made, in the light of the circumstances under which they  
15 were made, not misleading.

16  
17 This Order is necessary, in the public interest, for the protection of investors and consistent  
18 with the purposes, policies, and provisions of the Corporate Securities Law of 1968

19 Dated: October 5, 2011  
20 Los Angeles, California

PRESTON DuFAUCHARD  
California Corporations Commissioner

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22  
23 By \_\_\_\_\_  
24 ALAN S. WEINGER  
25 Deputy Commissioner  
26 Enforcement Division  
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